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Cassis bills protect consumers, encourage builder professionalism

LANSING – State Sen. Nancy Cassis today introduced legislation encouraging builder professionalism and providing protections for individuals from anti-consumer practices of some less-reputable builders and contractors who take advantage of clients.

“I have heard from constituents and seen on television the devastating impact substandard workmanship can have on people’s lives,” said Cassis, R-Nov. “The state must provide adequate protections for consumers to ensure their health, safety and welfare are not compromised by individuals seeking to profit at the expense of others. These bills provide necessary protections, and at the same time, encourage builders and contractors to maintain the highest levels of professionalism.”

The legislation, Senate Bills 631 and 632:

Gives the state authority to go after unlicensed builders.

- Establishes a misdemeanor penalty of between 93 days and one year in jail or a fine of between \$5000 and \$25,000.
- Establishes a civil fine of between \$5,000 and \$25,000.

Maintains a high standard of professionalism in the industry by adding pre-license and continuing education requirements.

- Using the National Association of Home Builder’s “University of Housing, Blueprint for Success” as a model, requires builders or contractors to complete 60 hours of education in the field prior to receiving a license.
- Throughout the three-year license period, an individual is required to complete 21 hours of continuing education, taking a minimum of three hours each year.

Protects consumers.

- Requires a license applicant to provide a valid copy of an operator’s license or state I.D. card as proof of identity and proof of successful completion of education requirements, giving the Department of Labor and Economic Growth the ability to better track licensed individuals.

- Requires the department to post on its Web site any complaints against a licensee within 30 days of issuing a determination, and the number of final determinations/judgments on an annual basis.

Changes the license schedule and increases fees to support education and enforcement efforts. The new schedule coincides with code updates, which occur every three years.

- Increases license fee to \$180 for a three-year license.
- Every three years, an additional \$50 fee will be collected to provide an updated code book to the licensee.
- Creates the Builder Education Fund, placing \$30 of the license fee into the fund for the department to manage the education program.
- Creates the Builder Enforcement Fund, placing \$30 of the license fee into the fund for enforcement efforts.

“With this package in place, we hope to reduce the number of contractors who might take advantage of a client,” Cassis said. “Positively, at the same time, we are encouraging and fostering a well-educated, code-literate and professional building work force.”

Michigan Association of Home Builders (MAHB) President Julie Fielek said, “These bills focus on increasing consumer protection and professionalism of builders and remodelers throughout the state.”

MAHB Legislative Chair Lee Kitson added, “We look forward to working with Senator Cassis and other legislators to bring this important legislation to fruition.”

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